

EXHIBIT 10-A4

HOME Monitoring Checklist	HOMEOWNER REHABILITATION
Grantee Name:	Contract Number:
HOME Program Officer:	Date:

QUESTIONS	NOTES
BACKGROUND INFORMATION	
1. Are written informational materials about the program available? a. Marketing materials for prospective applicants that include a program description b. Information that describes homeowner responsibilities c. Financial information for homeowners (loan terms, assistance levels, etc.) d. Other educational materials	
2. Have special conditions been established to target program assistance? If so, what is target?	
3. Is an initial screening of prospective applicants performed to determine eligibility prior to completing a full application?	
4. Does program staff meet with eligible homeowners to inform them of their responsibilities under the program?	
5. Does program staff involve the homeowner in the following activities? a. Initial Inspection b. Work Write-Up/Cost Estimate c. Soliciting Proposals for Rehabilitation d. Construction Progress Inspections e. Final Inspection	
6. Does the program have relationships with local financial institutions? What level of private funding leverage is being achieved?	
7. Are there procedures for notifying applicants of awards and refusals?	

DOCUMENTATION: *The HOME Program Officer should choose a sample of 15% of files to inspect in order to answer the questions in this section. Note any information missing from files, inconsistencies between files, and inconsistencies with the Management Plan.*

Number of files examined: _____

	ANSWER		NOTES
	Y	N	
CHECKLIST FOR PROJECT FILE DOCUMENTATION – Are the items in the individual project case files?			
APPLICANT INFORMATION			
1. Authorization to Release Information			
2. Verification of Employment/Income			
3. Verification of Expenses			
4. Credit Report			
5. Program Application Form			
6. Approval of Rehabilitation Assistance Notice			

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LEGAL DOCUMENTS			
1. Copy of Deed			
2. Title Search and/or Title Option			
3. Closing Documents			
4. Copies of Post Closing Documents			
5. Written Homeowner HOME Agreement			
PROPERTY INFORMATION			
1. Environmental Screening Checklist			
2. Appraisal/Market Analysis			
3. Work Write-up/Cost Estimate			
4. Rehabilitation Contract			
5. Documentation of Initial Inspection			
6. Documentation of Final Inspection			
7. Lead-Based Paint Compliance Documentation (including copies of notices, lead hazard evaluation and clearance reports)			
CONSTRUCTION MANAGEMENT			
1. Initial Inspection Form			
2. Pre-construction Conference Report			
3. Notice to Proceed			
4. Progress Inspection Reports			
5. Punch List			
6. Change Orders (if applicable)			
7. Contractor Payment Requests			
8. Subcontractors Final Lien Releases (if applicable)			
9. Contractors Final Lien Release			
10. Documentation of Final Inspection			
11. Receipt of Final Payment Form			

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A. PARTICIPANT ELIGIBILITY			
1. Did program staff properly establish the income eligibility of the applicant? a. Was the applicant's gross annual income properly calculated? b. Were household income sources adequately verified? c. Was the applicant's gross annual income compared to the applicable HOME program income limit to ensure that income was less than or equal to 80 percent of the median income?			
2. Did program staff obtain acceptable evidence of ownership? (NOTE: A deed alone is generally not considered acceptable. A title search or a recent review of recorded ownership is necessary.) a. Copy of Deed b. Title Search and/or Title Opinion Form of ownership: _____ Fee simple title _____ 99 Year Leasehold _____ Ownership/membership in a co-operative			
3. Is there a signed certification that the household uses this property as its principal residence?			
4. If the Grantee has placed additional eligibility requirements on applicants, are these requirements non-discriminatory?			
B. LOAN OR GRANT PROCESSING AND SERVICING			
1. Are the terms of the loan or grant consistent with the program's underwriting guidelines, its objective and its local needs?			
2. Did the homeowner sign the loan or grant agreement?			
3. Were all loan instruments properly executed and recorded?			
4. Does the project finance summary sheet properly reflect all sources of project financing?			
5. Is there a copy of the current Appraisal/Market Analysis in the file? Method of documenting after-rehabilitation value: _____ Appraisal _____ Market Analysis			
C. PROPERTY ELIGIBILITY			
1. Based on the information in the project application, is the property located within the Grantee's boundaries?			
2. Does the project application list the property as an acceptable single-family home (1-4 units)?			

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3. Are there adequate procedures for ensuring that a minimum of \$1,000 in HOME funds is used AND that the maximum after-rehabilitation property value does not exceed the 95 percent of the median property value limit for the area as determined by HUD?			
4. Do qualified staff or fee appraisers determine after-rehabilitation value estimates?			
D. PROPERTY STANDARDS			
1. Does the project file include: a. Work write-up/cost estimate? b. Documentation of initial inspection? c. Documentation of final inspection?			
2. Were the work write-up/cost estimate and the inspections performed by qualified people?			
3. Does the initial inspection report appear to observe all applicable property standards?			
4. Does the work write-up include all work noted on the initial inspection report?			
5. Is the work write-up consistent with the written rehabilitation standardS?			
6. Does the work write-up contain enough detail to enable a contractor to provide a reliable bid?			
7. Does the final inspection confirm that all necessary work was completed?			
E. ELIGIBLE COSTS			
1. Are all costs detailed on the cost estimate and in the rehabilitation contract eligible under the HOME Program? If costs were not eligible, did the homeowner pay for these costs?			
2. Was the cost estimate reviewed by a person other than the person performing the inspection? If so, by whom?			
F. CONTRACTOR SELECTION			
1. Does the project file include verification of contractor eligibility?			
2. Was the proposal selected cost reasonable? (e.g., within 10 percent of the cost estimate?)			
3. If the Grantee selected the contractor, was a competitive bid process used? a. Were multiple bids solicited? b. Were they reviewed using consistent criteria?			
4. If the homeowner solicited the bids, was more than one bid solicited?			
5. Is a list of pre-qualified contractors maintained and are they regularly reviewed to assure continued eligibility?			
6. For any contractors used, were debarment checks completed and documented?			
7. Does the program involve a sufficient number of contractors given its volume?			
8. If applicable, are there sub-contractor agreements?			
9. Does the initial inspection report appear to observe all applicable property standards?			

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10. Does the work write-up include all work noted on the initial inspection report?			
11. Is the work write-up consistent with the Grantee's written rehabilitation standards?			
12. Does the work write-up contain enough detail to enable a contractor to provide a reliable bid?			
13. Do qualified people perform the work write-up/cost estimate and the inspections?			
14. Do work write-ups, proposals, and contracts in the project files show that all costs are allowable and any fees are reasonable?			
15. Was the rehabilitation contract properly executed?			
16. Did the selected contractor submit a reasonable bid? (e.g., within 10 percent of the cost estimate)			
G. CONSTRUCTION MANAGEMENT			
1. Are preconstruction conferences held with contractors and homeowners? If yes, are the proceedings documented in the project file?			
2. Is a contingency incorporated in the construction contract?			
3. Is there a retainage (holdback) for each payment?			
4. Is the notice to proceed documented?			
5. Were progress inspections of the project performed prior to approving the contractor's requests for payment? a. Did the owner approve the payment? b. Did the contractor submit a payment request immediately after owner approval?			
6. Is there a system for reviewing requests for change orders? Does it include having the Grantee and/or the owner review and approve change orders for any changes in the scope of work for the project?			
7. Does someone other than the person doing the inspection authorize all change orders, if applicable?			
8. Do any HOME funds need to be repaid due to ineligible expenses?			
9. Are there arbitration/grievance procedures to resolve disputes between the contractor and Grantee/Homeowner?			
10. Does the file contain documentation of the final inspection confirming that all necessary work was completed?			
11. Does the file contain the following? a. Sub-contractors Final Lien Releases (if applicable) b. Contractors Final Lien Release			
12. Are final payments made only after all work is completed?			
H. LOAN PROCESSING AND SERVICING			
1. Are the terms of the loan consistent with the grantee's program guidelines?			
2. Did the homeowner sign the loan agreement?			
3. Were all loan instruments properly executed and recorded?			
4. Does the project finance summary sheet properly reflect all sources of project financing?			

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I. ON-SITE INSPECTION (AFTER REHAB)			
1. Based upon observable conditions, have the deficiencies identified in the initial inspection report been corrected?			
2. Based upon observable conditions, was the rehabilitation work outlined in the work write-up and any change orders satisfactorily performed?			
3. Is the homeowner satisfied with the rehabilitation?			
4. Is the property free of all obvious property standards violations?			
J. PROGRAM RECORDKEEPING			
1. Is the IDIS Set-Up Report in each file?			
2. Is the IDIS Completion Report in each file?			
3. Based upon a review of project case files, are all files complete with adequate documentation?			